

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC)	
SERVICE COMMISSION OF THE APPLICA-)	
TION OF THE FUEL ADJUSTMENT CLAUSE)	
OF FARMERS RURAL ELECTRIC COOPERATIVE)	CASE NO. 90-371
CORPORATION FROM NOVEMBER 1, 1988 TO)	
OCTOBER 31, 1990)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on November 30, 1990 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Farmers Rural Electric Cooperative Corporation ("Farmers") from November 1, 1988 to October 31, 1990.

As a part of this review, the Commission ordered Farmers to submit certain information including, inter alia, its monthly fuel charges for the period under review and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Farmers has complied with this Order. The Commission further ordered that a public hearing be held in this case, but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. Farmers has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

2. East Kentucky Power Cooperative, Inc. ("EKPC"), the wholesale supplier of Farmers, has been authorized to transfer (roll-in) a 0.54 mills per Kwh increase in its base fuel cost to its base rates.¹

3. Farmers should be authorized to transfer (roll-in) a 0.58 mills per Kwh increase in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.54 mills per Kwh decrease in EKPC's base rates and this can best be accomplished by an energy adder to each Kwh sold.

4. The rates and charges in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Farmers through the FAC for the period from November 1, 1988 to October 31, 1990 be and they hereby are approved.

2. Farmers be and it hereby is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by EKPC from its FAC to its base rates.


3. The rates in Appendix A are approved for service rendered by Farmers on and after May 1, 1991.


¹ Case No. 90-361, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. From November 1, 1988 to October 31, 1990.


4. Within 30 days of the date of this Order, Farmers shall file with the Commission revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 3rd day of April, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-371 DATED 4/03/91

The following rates and charges are prescribed for the customers in the area served by Farmers Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

SCHEDULE R RESIDENTIAL SERVICE

Rates:

First	50 KWH	(Minimum Charge)	\$.13770 Per Month
Next	150 KWH		.08179 Per KWH
Remaining	KWH		.05635 Per KWH

SCHEDULE C-1 COMMERCIAL AND INDUSTRIAL SERVICE (50 KW or ABOVE)

Rates Per Month:

For all consumers whose kilowatt demand is less than 50 KW:

First	50 KWH	(Minimum Charge)	\$.13770 Per KWH
Next	150 KWH		.08397 Per KWH
Remaining	KWH		.06131 Per KWH

SCHEDULE C-2 COMMERCIAL AND INDUSTRIAL SERVICE (50 KW or ABOVE)

Energy Charge:

First	10,000 KWH	\$.04963 Per KWH
Next	20,000 KWH	.04793 Per KWH
Remaining	KWH	.04648 Per KWH

**SCHEDULE D
LARGE COMMERCIAL/INDUSTRIAL SERVICE
OPTIONAL TIME-OF-DAY RATE**

Rates Per Month

Energy Charge:

First	10,000	KWH	@	\$.04963	Per KWH
Next	20,000	KWH	@	.04793	Per KWH
Remaining		KWH	@	.04648	Per KWH

**SCHEDULE RM
RESIDENTIAL OFF-PEAK MARKETING**

Rate:

All KWH	\$.03381
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**SCHEDULE RM
SMALL COMMERCIAL OFF-PEAK MARKETING**

Rate:

All KWH	\$.03679
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**SCHEDULE OL
OUTDOOR LIGHTING SERVICE**

Rate Per Fixture:

<u>Type of Lamp</u>	<u>Watts</u>	<u>Monthly KWH Usage</u>	<u>Monthly Charge Per Lamp</u>
Mercury Vapor	175	70	\$6.24
Mercury Vapor	250	98	6.96
Mercury Vapor	400	156	10.51
Mercury Vapor	1000	378	17.52
Sodium Vapor	100	42	6.77
Sodium Vapor	150	63	7.77
Sodium Vapor	250	105	10.35
Sodium Vapor	400	165	13.04
Sodium Vapor	1000	385	27.99

SCHEDULE E - LARGE COMMERCIAL

Rates:

Energy Charge/KWH	\$.03193
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